

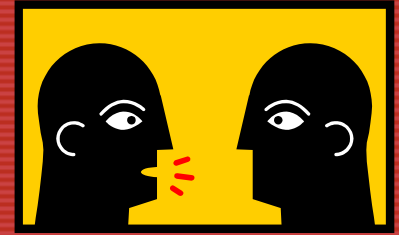
The top half of the slide features a close-up, slightly blurred image of the American flag. The stars and stripes are visible, with the blue field of stars on the left and the red and white stripes on the right. The flag appears to be draped or waving, creating a sense of movement.

Intragovernmental Reporting Requirements

2005 Yearend Closing Seminar

Presented by: Ella Hughes-Bailey
Department of Treasury, Financial Management Service
August 8, 2005

Topics of Discussion



- ☐ **FY 2004 Highlights**
- ☐ **FYE 2005 Intragovernmental Reporting Requirements**
- ☐ **Governmentwide Intragovernmental Initiatives**

FY 2004 Highlights (GAO Audit Report Results)



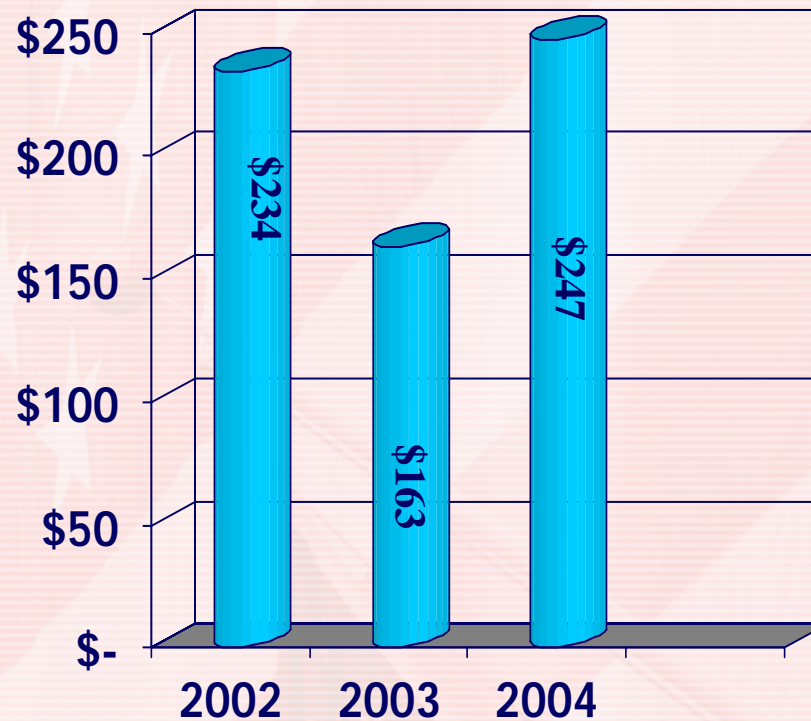
- Unreconciled Intragovernmental Transactions are Still Material Weakness in FR
- Numerous Agencies Did Not Fully Reconcile with Trading Partners
- Resolving Intragovernmental Problem Remains a Difficult Challenge

FY 2004 Highlights

(Intragovernmental Out-of-Balance Condition)



(In Billions)



FY 2004 Highlights (Performance Measure Scorecard)



Timeliness		
Performance Elements	Performance Goal – Submit to FMS by:	Goal Met? (Out of 35 Verify Agencies)
4 th Qtr Data File Submission	10-18-04	30
4 th Qtr Status of Disposition Certification	10-26-04	33
CFO Representation	11-23-04	31
IG Agreed Upon Procedures	12-02-04	31

FY 2004 Highlights

(Performance Measure Scorecard)

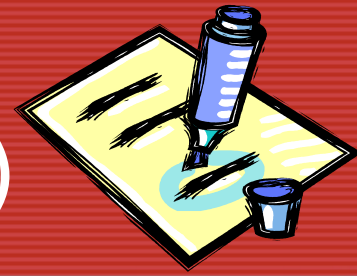


Reconciliation of Unexplained Differences

Performance Element	Performance Goal	Goal Met? (Out of 35 Verifying Agencies)
Unexplained IFCS Differences	Difference < 10% of Agency's IFCS Reporting for each CFA	31
Unexplained Closing Package Differences w/Trading Partners	Difference < 10% of Agency's Total Material Differences w/Trading Partners	28

FY 2004 Highlights

(Performance Measure Scorecard)



Reliability/Completeness		
Performance Elements	Performance Goals	Goal Met? (Out of 35 Verifying Agencies)
Unidentified Trading “00” Partner Usage	Difference < 10% of Intragovernmental Activity	32
IG Agreed Upon Procedures	No Audit Intragovernmental Findings	8

FY 2004 Highlights

(Performance Measure Scorecard)



Consistency/Reasonableness		
Performance Elements	Performance Goals	Goal Met? (Out of 35 Verifying Agencies)
Agency 4 th Data Submission vs. Agency Closing Package Data	Differences < 10% of Total Intragovernmental Activity <u>1/</u>	24
Agency Closing Package Data vs. TP Closing Package Data	Difference < 10% of Total Intragovernmental Activity <u>2/</u>	22
<u>1/</u> Excludes RC 25 & 29 and General Fund <u>2/</u> Excludes RC 25 & 29, General Fund, Judiciary & Congress		

FY 2004 Highlights

(FY 2004 Issues/2005 Resolutions)



FY 2004 Issues	FY 2005 Resolutions
Intradepartmental Activity Excluded from Closing Package Reports But Not From 4 th Quarter IRAS Reports	Exclude Intradepartmental Activity From 4 th Quarter IRAS Reports
Agencies Differences > 10 % Between 4 th Quarter Agency Data File and Closing Package Submissions	Required Agencies to Submit Plan to Address & Resolve Intragovernmental Differences
GFRS Reports Independent Agencies Under TP 95 While 4 th Quarter IRAS Reports Breaks them Out (i.e., 03, 04, 59)	Rolled up 4 th Quarter IRAS into Department Code 95 for Yearend
Agencies Required to Submit "F" Transactions Data in "Flat" File Only	Agencies have Option to Submit "Excel" or "Flat" File
Lack of Detailed Explanation of Differences	Created a Form For Agencies to Submit Required Detailed Explanation of Differences
Some IG/IPAs not Familiar with IRAS Reports	Conducted IRAS Reports Training for IGs
Little Guidance on Transfers	Added New Section on Transfers to Federal Intragovernmental Accounting Policies Guide

FYE 2005

Intragovernmental Requirements



Office of Management and Budget

- OMB Bulletin 01-09, Form and Content, Section 11.3, Intragovernmental Amounts
- OMB Intragovernmental Business Rules Memorandum, M-03-01, Dated October 4, 2002

Department of Treasury

- Treasury Financial Manual, Part 2, Chapter 4700, Agencies Reporting Requirements for the Financial Report of the United States Government
- Federal Intragovernmental Transactions Accounting Policies Guide, Dated July 1, 2005

FYE 2005 Intragovernmental Requirements

1. Agencies Required to Identify Intragovernmental Trading Partners by Federal Line Items in GFRS, Module 4

Closing Package Statements
Balance Sheet
Statement of Net Cost
Statement of Changes in Net Position

FYE 2005 Intragovernmental Requirements

2. FMS Issues Agencies IRAS Reports Based on Closing Package Data by 11-21-05

Intragovernmental Closing Package Activity Reports
Detail
Summary
Reciprocal Category Detail
Reciprocal Category Summary
Material Differences/Status of Disposition Certification
Closing Package vs. 4 th Quarter Submission Comparative Data

FYE 2005 Intragovernmental Requirements

3. Agencies Completes
CFO Representation
(Sections I and II) by
11-23-05

Section I

General
Intragovernmental
Reporting Results

FYE 2005 Intragovernmental Requirements

Section II

Summarized Explanation of Closing Package Differences

MATERIAL DIFFERENCES REPORT: Year End FY 2004						Indicate amount in appropriate columns for reason of material difference from your agency's perspective. If all or a portion of agency's material difference is substantiated, complete item 5 - Unknown/Unreconciled					
						1-Confirm Rptg (X)	2-Acctg Method Diff (X)	3-Acctg/Rptg	4-Timing Difference-	5-Unknown/U	6-Ti Diff
TP	RC	P_or_S ¹	Rptg_Agy	Trdg_Partner	Material_Diff						
89	19	P	0	33,000,000	33,000,000						
89	28	P	32,905,000	0	32,905,000						
¹ P=Primary, S=Secondary						³ Identify the amounts of accounting error attributable to report					
						⁴ CY=Current Year; PY=Prior Year.					
² Basis of Accounting Methodology Used by the Agency (Based Material Difference #2, Above)											
TP	RC										
Certification											
I have reviewed the Material Differences Report generated by FMS' IRAS from intragovernmental data submitted by our agency and associated trading partner(s). I											
consistent with its supporting records and is derivative of unaudited financial statement data submitted to OMB, as indicated from the disposition of material differ											

FYE 2005 Intragovernmental Requirements

Additional Explanations FY 2005 - Yearend			
Agency Code/Name:			
Trading Partner	Reciprocal Category	Amount of Difference	Explanation

FYE 2005 Intragovernmental Requirements

4. FMS provides CFOs & IGs Closing Package Comparative Status of Disposition Certification by 11-29-05

Closing Package Comparative Status of Disposition Report

- Compares amounts between RA and TP
- Allows Auditors to Focus on Inconsistent RA vs. TP Explanations of Differences

FYE 2005 Intragovernmental Requirements

5. IGs Complete Agreed Upon Procedures by 12-02-05

IG AUP

- Procedures Based Strictly on Closing Package Reporting
- Perform Procedures Regardless of FS Audit Opinion
- Follows 5 Procedures Included in TFM
- Completes Agreed Upon Procedures by 12-02-05

FYE 2005 Intragovernmental Requirements

Intragovernmental Year-end Timeline

Due Date	Reports
11-18-05 (Noon)	IG/IPA Opines on Closing Package in GFRS
11-21-05	FMS Provides Closing Package Differences Report to Verifying Agencies
11-23-05	Intragovernmental CFO Representations Due to IG, FMS & GAO
11-29-05	FMS provides Comparative Closing Package Differences Report to CFO & IGs
12-02-05	Intragovernmental IG Agreed Upon Procedures Due to CFO, FMS & GAO

Governmentwide Intragovernmental Initiatives

- Intragovernmental Eliminations Taskforce (IGET)
- Intragovernmental Subcommittee
 - Transfers Working Group
 - Buy/Sell Working Group
 - Investments/Credit Reform Working Group
 - OMB Business Rules
 - IGTE Replacement
- FY 2006 IG AUP
- OMB Intragovernmental Metrics Program
- Financial Reporting Streamlining Committee

Central Fiduciary Agency Contacts

BPD Investments

Kim Poling

Email: kpoling@bpd.treas.gov

Voice: 304-480-5163

Fax: 304-480-5112

BPD Borrowings

Ronald Ruble

Email: ronald.ruble@bpd.treas.gov

Voice: 304-480-5167

Fax: 304-480-5176

FFB Borrowings

Lynn Ladson

Email: lynn.ladson@do.treas.gov

Voice: 202-622-2953

Department of Labor

Naresh Chopra

Email: chopra.naresh@dol.gov

Voice: 202-693-6817

Fax: 202-693-6964

Office of Personnel Management

Ted Kuchlewski

Email: tkuchle@opm.gov

Voice: 202-606-9135

Fax: 202-606-1338

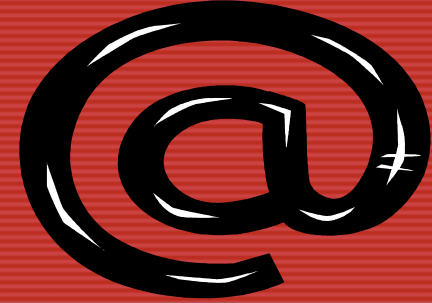


Intragovernmental Policy & Analysis Team

Team Leader: Ella Hughes-Bailey

Office: 202-874-6389 Fax: 202-874-9907

ella.hughes-bailey@fms.treas.gov



Intragovernmental Team Member	Phone Numbers	Assigned Agencies
Ben Sussman Benjamin.sussman@fms.treas.gov	Office: 202-874-9898 Fax: 202-874-9907	Treasury, FCC, RRB, EPA, FCA
Sheila Miller Sheila.miller@fms.treas.gov	Office: 202-874-8305 Fax: 202-874-9907	USDA, VA, SBA, EXIM, HUD, Education
Wanda Francisco Wanda.francisco@fms.treas.gov	Office: 202-874-3141 Fax: 202-874-9907	Commerce, Justice, NASA, ALL DoD
Lena Lewis Lena.lewis@fms.treas.gov	Office: 202-874-9232 Fax: 202-874-9907	Interior, GSA, USPS, NRC, NSF, TVA, Smithsonian
Marsha Morgan Marsha.morgan@fms.treas.gov	Office: 202-874-8785 Fax: 202-874-9907	Labor, PBGC, OPM, NCUA, SSA, FDIC, HHS
Margaret Lo-Hing Margaret.Lohing@fms.treas.gov	Office: 202-874-9922 Fax: 202-874-9907	State, DHS, DOT, AID, Energy, SEC
Intargovernmental Websites IFCS: http://fmsapps.treas.gov/ias Intragovernmental: http://fms.treas.gov/irri/index.html		

Questions!

